

BILL NO. R-97-3<sup>02-10</sup>

CONFIRMING RESOLUTION NO. R-10-97

**A CONFIRMING RESOLUTION designating an  
"Economic Revitalization Area" under I.C. 6-1.1-12.1  
for property commonly known as 2131 South Coliseum  
Boulevard and 4300 New Haven Avenue, Fort Wayne,  
Indiana 46803 (Phelps Dodge Magnet Wire Company)  
AMENDED**

**WHEREAS**, Common Council has previously designated and declared by Declaratory Resolution the following described property as an "Economic Revitalization Area" under Section 153.02 of the Municipal Code of the City of Fort Wayne, Indiana, of 1993, as amended and I.C. 6-1.1-12.1, to wit:

**Attached hereto as "Exhibit A" as if a part herein; and**

**WHEREAS**, said project will create 22 full-time, permanent jobs for a total additional annual payroll of \$1,210,000, with the average new annual job salary being \$55,000 and retain 487 full-time, permanent jobs for a current annual payroll of \$19,304,000, with the average current annual job salary being \$39,639; and

**WHEREAS**, the total estimated project cost is \$39,660,000; and

**WHEREAS**, recommendations have been received from the Committee on Finance and the Department of Economic Development concerning said Resolution; and

**WHEREAS**, notice of the adoption and substance of said Resolution has been published in accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 and a public hearing has been conducted on said Resolution; and

1           **WHEREAS**, if said Resolution involves an area that has already been designated an  
2 allocation area under I.C. 36-7-14-39, The Fort Wayne Redevelopment Commission has  
3 adopted a Resolution approving the designation.

4           **NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF**  
5 **THE CITY OF FORT WAYNE, INDIANA:**

6           **SECTION 1.** That, the Resolution previously designating the above described property  
7 as an "Economic Revitalization Area" is confirmed in all respects.

8           **SECTION 2.** That, the hereinabove described property is hereby declared an  
9 "Economic Revitalization Area" pursuant to I.C. 6-1.1-12.1, said designation to begin on the  
10 effective date of this Resolution and shall terminate on March 1, 1999.

11           **SECTION 3.** That, said designation of the hereinabove described property as an  
12 "Economic Revitalization Area" shall apply to a deduction of the assessed value of real estate  
13 and personal property for new manufacturing equipment.

14           **SECTION 4.** That, the estimate of the number of individuals that will be employed or  
15 whose employment will be retained and the estimate of the annual salaries of those individuals  
16 and the estimate of redevelopment or rehabilitation and estimate of the value of the new  
17 manufacturing equipment, all contained in Petitioner's Statement of Benefits are reasonable and  
18 are benefits that can be reasonably expected to result from the proposed described installation  
19 of the new manufacturing equipment.

20           **SECTION 5.** The current year approximate tax rates for taxing units within the City  
21 would be:

22           (a) If the proposed development does not occur, the approximate current year tax rates  
23 for this site would be \$8.7917/\$100.  
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1 (b) If the proposed development does occur and no deduction is granted, the  
2 approximate current year tax rate for the site would be \$8.7917/\$100 (the change  
3 would be negligible).

4 (c) If the proposed development occurs, and a deduction percentage of fifty percent  
5 (50%) is assumed, the approximate current year tax rate for the site would be  
6 \$8.7917/\$100 (the change would be negligible).

7 (d) If the proposed new manufacturing equipment is not installed, the approximate  
8 current year tax rates for this site would be \$8.7917/\$100.

9 (e) If the proposed new manufacturing equipment is installed and no deduction is  
10 granted, the approximate current year tax rate for the site would be \$8.7917/\$100  
11 (the change would be negligible).

12 (f) If the proposed new manufacturing equipment is installed and a deduction  
13 percentage of eighty percent (80%) is assumed, the approximate current year tax  
14 rate for the site would be \$8.7917/\$100 (the change would be negligible).

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16  
17 **SECTION 6.** Pursuant to I.C. 6-1.1-12.1, it is hereby determined that the deduction  
18 from the assessed value of the real property shall be for a period of ten years, and that the  
19 deduction from the assessed value of the new manufacturing equipment shall be for a period of  
20 five years.

21  
22 **SECTION 7.** The benefits described in the Petitioner's Statement of Benefits can be  
23 reasonably expected to result from the project and are sufficient to justify the applicable  
24 deductions.

25 **SECTION 8.** For new manufacturing equipment, a deduction application must contain  
26 a performance report showing the extent to which there has been compliance with the  
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Statement of Benefits form approved by the Fort Wayne Common Council at the time of filing.

This report must be submitted to the Allen County Auditor's Office, and the City of Fort Wayne's Department of Economic Development and must be included with the deduction application. For subsequent years, the performance report must be updated and submitted along with the deduction application at the time of filing.

**SECTION 9.** For real property, a deduction application must contain a performance report showing the extent to which there has been compliance with the Statement of Benefits form approved by the Fort Wayne Common Council at the time of filing. This report must be submitted to the Allen County Auditor's Office and the City of Fort Wayne's Department of Economic Development and must be included in the deduction application. For subsequent years, the performance report must be updated within sixty days after the end of each year in which the deduction is applicable.

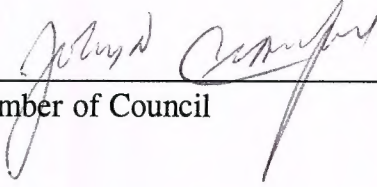
**SECTION 10.** The performance report must contain the following information:

- A. The cost and description of real property improvements and/or new manufacturing equipment acquired.
- B. The number of employees hired through the end of the preceding calendar year as a result of the deduction.
- C. The total salaries of the employees hired through the end of the preceding calendar year as a result of the deduction.
- D. The total number of employees employed at the facility receiving the deduction.
- E. The total assessed value of the real and/or personal property deductions.
- F. The tax savings resulting from the real and/or personal property being abated.

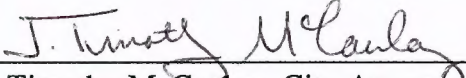
**SECTION 11.** That, this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.



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\_\_\_\_\_  
Member of Council

APPROVED AS TO FORM A LEGALITY

  
\_\_\_\_\_  
J. Timothy McCaulay, City Attorney

FEB 11 1997

EXHIBIT B

**Phelps Dodge Magnet Wire Company**  
**Economic Revitalization Area - Resolution R-06-93**  
**Summary of Employees & Salaries (Term 1993-1997)**  
**December 31, 1996 (\$000's)**

**Schedule #1**

	Current Number		Number Retained		Number Additional	
	Employees	Salaries	Employees	Salaries	Employees	Salaries
Manufacturing	430	\$13,743	347	\$13,047	0	\$0
R & D	40	\$1,555	40	\$1,555	7	\$315
Mgmt, Professional, Sales	82	\$4,300	82	\$4,300	14	\$869
Clerical	18	\$402	18	\$402	1	\$26

Read the first time in full and on motion by Crawford,  
and duly adopted, read the second time by title and referred to the  
Committee on Finance (and the City Plan Commission  
for recommendation) and Public Hearing to be held after due legal notice, at  
the Common Council Council Conference Room 128, City-County Building, Fort  
Wayne,, Indiana, on \_\_\_\_\_, 19\_\_\_\_, the \_\_\_\_\_ day of  
\_\_\_\_\_, M., E.S.T. \_\_\_\_\_ o'clock

DATED: 2-25-97

SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Crawford,  
and duly adopted, placed on its passage. PASSED 10-2  
by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT:
TOTAL VOTES	<u>7</u>			<u>2</u>
BENDER	<u>✓</u>			
CRAWFORD	<u>✓</u>			
EDMONDS	<u>✓</u>			
HALL	<u>✓</u>			
HAYHURST	<u>✓</u>			
HENRY	<u>✓</u>			
LUNSEY	<u>✓</u>			
RAVINE				<u>✓</u>
SCHMIDT				

DATED: 2-25-97

SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,  
Indiana, as (ANNEXATION) \_\_\_\_\_ (APPROPRIATION) \_\_\_\_\_ (GENERAL)  
(SPECIAL) \_\_\_\_\_ (ZONING) \_\_\_\_\_ ORDINANCE RESOLUTION NO. 2-10-97  
on the 25th day of February, 19 97

ATTEST:

(SEAL)

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Thomas P. Henry  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on  
the 26th day of February, 19 97,  
at the hour of 11:00 o'clock P. M., E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 2nd day of March,  
19 97, at the hour of 4:45 o'clock P. M., E.S.T.

PAUL HELMKE  
PAUL HELMKE, MAYOR



**STATEMENT OF BENEFITS**

State Form 27167 (R5 / 11-95)

Form SB - 1 is prescribed by the State Board of Tax Commissioners, 1989

**CITY OF FT WAYNE** <sup>SW</sup>**FORM  
SB - 1**

FEB 11 1997

**INSTRUCTIONS:**

1. This statement must be submitted to the body designating the economic revitalization area **BEFORE** the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment, or **BEFORE** the redevelopment or rehabilitation of real property which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation or prior to installation of the new manufacturing equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and June 14 of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF - 1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer	Phelps Dodge Magnet Wire Company
Address of taxpayer (street and number, city, state and ZIP code) 2131 S. Coliseum Blvd - Fort Wayne, IN 46803	
Name of contact person	Bob Strawser
Telephone number	(219 ) 421-5569

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT				
Name of designating body <b>FORT WAYNE COMMON COUNCIL</b>		Resolution number <b>R - 06 - 93</b>		
Location of property 2131 S. Coliseum Blvd / 4300 New Haven Avenue		County <b>Allen</b>	Taxing district <b>64 - Fort Wayne-Adams</b>	
Description of real property improvements and / or new manufacturing equipment (use additional sheets if necessary) New Office/Technology Center at 2131 S. Coliseum New Warehouse/Distribution Ctr/Shaver Bldg(72,000 sq ft) Modernize & Update Manufacturing Eq. including new Product Lines.		ESTIMATED		
		Start Date	Completion Date	
		Real Estate	2/93	12/97
		New Mfg Equipment	2/93	6/98

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number	Salaries	Number retained	Salaries	Number additional	Salaries
*See Attached Schedule					

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT				
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	Real Estate Improvements		Machinery	
	Cost	Assessed Value	Cost	Assessed Value
Current values	9,553,000	1,092,570	38,704,041	5,084,755
Plus estimated values of proposed project	9,572,000		30,088,000	
Less values of any property being replaced				
Net estimated values upon completion of project				

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
Estimated solid waste converted (pounds)	NA
Estimated hazardous waste converted (pounds)	NA
Other benefits: Due to the investment in our Tech Center and Administration Facilities, we will consolidate and expand on those functions here in Fort Wayne, resulting in an increase in higher salaried positions.	

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative	Title	Date signed (month, day, year)
	Controller North American Operations	2/11/97



# FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed 2 calendar years \* (see below). The date this designation expires is March 1, 1999.

B. The type of deduction that is allowed in the designated area is limited to:

1. Redevelopment or rehabilitation of real estate improvements;
2. Installation of new manufacturing equipment;
3. Residentially distressed areas

☒ Yes ☐ No  
☒ Yes ☐ No  
☐ Yes ☒ No

C. The amount of deduction applicable for new manufacturing equipment is limited to \$ N/A cost with an assessed value of \$ N/A.

D. The amount of deduction applicable to redevelopment or rehabilitation is limited to \$ N/A cost with an assessed value of \$ N/A.

E. Other limitations or conditions (specify) N/A

F. The deduction for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1991 is allowed for:  
☒ 5 years ☐ 10 years The deduction period will be five (5) years unless the designating body has by resolution specified the ten (10) year period.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member) <u>Thomas P. Henry</u> <i>President</i>	Telephone number <u>(219) 427-1221</u>	Date signed (month, day, year) <u>2-25-97</u>
Attested by: <u>Dan Dras</u> <i>City Clerk</i>	Designated body <u>Common Council</u>	

\* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5 Namely: (see tables below)

NEW MANUFACTURING EQUIPMENT		
For Deductions Allowed Over A Period Of:		
Year of Deduction	Five (5) Year Percentage	Ten (10) Year Percentage
1st	100%	100%
2nd	95%	95%
3rd	80%	90%
4th	65%	85%
5th	50%	80%
6th		70%
7th		55%
8th		40%
9th		30%
10th		25%

REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT			
For Deductions Allowed Over A Period Of:			
Year of Deduction	Three (3) Year Deduction	Six (6) Year Deduction	Ten (10) Year Deduction
1st	100%	100%	100%
2nd	66%	85%	95%
3rd	33%	66%	80%
4th		50%	65%
5th		34%	50%
6th		17%	40%
7th			30%
8th			20%
9th			10%
10th			5%





## MEMORANDUM

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TO: Common Council Members

FROM: Staci Walter  
Economic Development Specialist, Department of Economic Development

DATE: February 19, 1997

SUBJECT: Amendment to the Statement of Benefits dated February 11, 1997 for Phelps Dodge Magnet Wire Company  
Address: 2131 South Coliseum Boulevard and 4300 New Haven Avenue, Fort Wayne, Indiana 46803

### Background

#### **Description of Product or Service Provided by Company:**

Phelps Dodge Magnet Wire Company manufactures copper and aluminum magnet wire, bare wire, and electrical cable.

#### **Description of Project:**

Phelps Dodge is requesting an amendment to their original 1993 Economic Revitalization designation. The designation included a new office and technology center, a new warehouse and distribution center, and the purchase of new equipment

Total Project Cost:	\$39,660,000	Number of Full Time Jobs Created:	22
Councilmanic District:	1	Number of Part Time Jobs Created:	0
Existing Zoning of Site:	M-3	Average Annual Wage of Jobs Created:	\$55,000
		Number of Full Time Jobs Retained:	487*
		Number of Part Time Jobs Retained:	0
		Average Annual Wage of Jobs Retained:	\$39,639*

#### **Project is Located Within a:**

Designated Downtown Area:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Redevelopment Area:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Urban Enterprise Area:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Platted Industrial Park:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

#### **Effect of Passage of Tax Abatement**

Creation of 22 new jobs with benefits.

#### **Effect of Non-Passage of Tax Abatement**

Loss of 22 new jobs with benefits



### **Staff Recommendation**

Per the established policy of the Department of Economic Development, the following recommendations are made:

1. Designation as an "Economic Revitalization Area" should be granted.
2. Designation period will terminate on March 1, 1999.
3. The period of deduction for real property improvements should be limited to ten years.
4. The period of deduction for personal property improvements should be limited to five years

Signed: Stac Walter  
Economic Development Specialist

Signed: Elizabeth A. New  
Director

\* Comments: Phelps Dodge Magnet Wire Company is requesting an amendment to their original application. First, they are requesting to extend the designation to March 1, 1999. Secondly, they are amending their project costs from \$36,073,000 to \$39,660,000. Finally, Phelps Dodge is amending its employment figures to reflect their current employment status. Although Phelps Dodge claimed they would retain 570 employees on their original application, they are currently retaining 487 employees total. The reduction comes in the manufacturing division. They are creating 22 jobs in their research and development; management, professional, and sales; and clerical divisions. Due to the nature of the new jobs created, the average new salary is \$55,000 compared to the \$27,000 which was originally claimed. The average retained salary was originally \$35,087 and the new retained salary has increased to \$39,639.

Admn. Appr. \_\_\_\_\_

DIGEST SHEET

TITLE OF ORDINANCE \_\_\_\_\_ Confirming Resolution

DEPARTMENT REQUESTING ORDINANCE \_\_\_\_\_ Department of Economic Development

SYNOPSIS OF ORDINANCE \_\_\_\_\_ This is to confirm an amendment to Resolution #06-93 for Phelps Dodge Magnet Wire. Phelps Dodge is making improvements of both real and personal property in the amount of \$39,660,000. Phelps Dodge Magnet Wire Company is building a new office and technology center; a new warehouse and distribution center, and purchasing new equipment.

EFFECT OF PASSAGE \_\_\_\_\_ Creation of 22 new jobs with benefits.

EFFECT OF NON-PASSAGE \_\_\_\_\_ Loss of 22 new jobs with benefits.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) \_\_\_\_\_ No expenditure of public funds.

ASSIGNED TO COMMITTEE (PRESIDENT) \_\_\_\_\_ John Crawford



BILL NO. R-97-02-10

REPORT OF THE COMMITTEE ON FINANCE

JOHN N. CRAWFORD - DONALD J. SCHMIDT - CO-CHAIR  
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM  
WAS REFERRED AN (~~ORDINANCE~~) (RESOLUTION) confirming resolution  
designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for  
property commonly known as 2131 South Coliseum Boulevard and 4300 New  
Haven Avenue, Fort Wayne, Indiana (Phelps Dodge Magnet Wire Company)  
AMENDED

HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION  
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID  
(~~ORDINANCE~~) (RESOLUTION)

DO PASS

DO NOT PASS

ABSTAIN

NO REC

<u>Thomas E. Hayduke</u>	_____	_____
<u>Richard A. Hall</u>	_____	_____
<u>John N. Crawford</u>	_____	_____
<u>Thomas P. Henry</u>	_____	_____
<u>Clifton R. Edwards</u>	_____	_____
<u>Philip J. Henry</u>	_____	_____
<u>Martin A. Bender</u>	_____	_____
_____	_____	_____
_____	_____	_____

DATED: 2-25-97.

Sandra E. Kennedy  
City Clerk